



Growth Management—

The Economic Development Element

Growth Management Services

In 2002, the Washington State Legislature added economic development as a required element of comprehensive plans, when state funding is available.

This fact sheet is a resource for accomplishing that objective.

"An economic development element establishing local goals, policies, objectives, and provisions for economic growth and vitality and a high quality of life. The element shall include: (a) a summary of the local economy such as population, employment, payroll, sectors, businesses, sales, and other information as appropriate; (b) a summary of the strengths and weaknesses of the local economy defined as the commercial and industrial sectors and supporting factors such as land use, transportation, utilities, education, work force, housing, and natural/cultural resources; and (c) an identification of policies, programs, and projects to foster economic growth and development and to address future needs. A city that has chosen to be a residential community is exempt from the economic development requirement of this subsection."

RCW 36.70A.070(7)

Program Overview

The state of Washington is facing a call to action to strategically position our state and local communities to compete successfully in a changing economy – sustain our economic vitality and environment and improve the economic prosperity of our residents and businesses. To meet this challenge, we must differentiate our state from other states by creating communities that are comprehensively prepared for economic development.

Some communities are taking the initiative, creating and adopting an Economic Development Element for their comprehensive plan prepared under the Growth Management Act (GMA). Some counties have existing processes and documents such as the Community Economic Development Strategy (CEDS) that could serve as a starting point in developing the element. Over the coming year, Growth Management Services staff at the Washington State Department of Community, Trade and Economic Development (CTED) and key stakeholders will develop a guidebook to assist communities in developing this element. Until that time, this fact sheet offers information and resources to assist communities with their economic development planning.

Program Components

Economic development begins with information gathering. There are five broad categories of data and information needed as the foundation for an Economic Development Element: political, social, human capital and leadership, economic, and physical and environmental.

The next activity in developing an Economic Development Element, asset mapping, builds from the information gathered.

Asset mapping is similar to traditional strengths, weaknesses, opportunities, and threats (SWOT) analysis with several significant distinctions. Under the SWOT analysis, strength and opportunity factors may not be linked together. Asset mapping builds relationship between information gathering and planning to identify natural synergies, gaps and links in information, resources, or capacities. Asset mapping is a dynamic and on-going process.

Strategic planning is the third step in preparing an Economic Development Element. Strategic planning enables a community to evaluate its present condition, estimate its future situation, and develop a strategy that deals with both. The strategy provides the focus necessary to carry out a community vision that is based on quantifiable data and observational analysis from the community's mapped assets. Strategic planning includes:

Vision: Vision is a statement or set of statements that describe the community's vision for economic vitality. The vision flows from the realities of what is possible and what is attainable. Vision is mindful of the past and present, but focused on the future.

Mission: A mission is a clear and concise statement of purpose.

Core values: Core values are short statements that describe the attributes embraced by the community. Knowing core values helps a community respond to businesses appropriately by identifying businesses that share the same values to locate and grow in their town.

Goals: Goals provide guidance. They are mileposts that link the community's mission, core values, and vision with strategies. Goals are useful for articulating overall expectations and intentions. Goals can help resolve weaknesses or trends identified during the asset mapping phase. It is recommended that short- and long-term goals be developed and that these goals and the steps identified below are linked and consistent with the comprehensive plan, including capital facilities plans and land use plans elements and development regulations.

Strategies: Strategies are the initiatives and projects undertaken in pursuit of each goal.

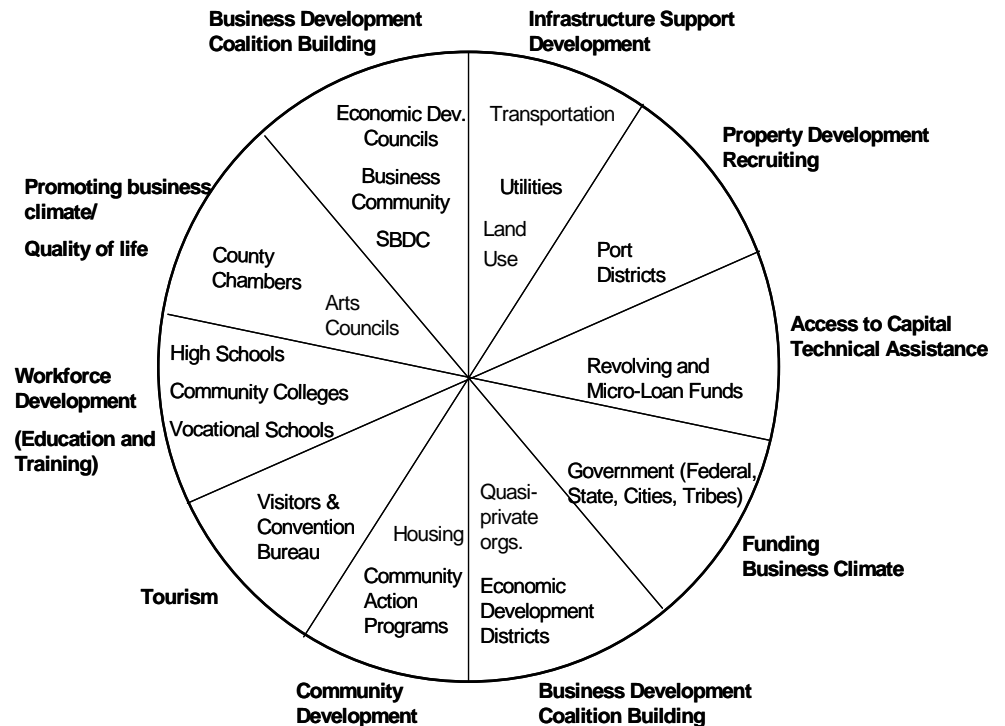
Objectives: Objectives are specific, quantified, and time-framed performance targets that provide a measurement of the success of an Economic Development Element and serve as a reference point in the economic development process.

Action items: This step outlines a set of defined action items (projects) and associated target dates. It includes identification of project sponsors, total project cost, timing (pre-development activities), regulatory issues including permits, an investment strategy, and contingencies. Action items that are flexible can be altered to adjust to new opportunities or forces beyond local control. Action items that promote on-going evaluation of work help demonstrate accountability and progress.

Budget: A budget charts costs, revenue sources, the timing of these, and contingencies for each action item.

Partners: Partners are individuals and organizations within the community, strategic partners in terms of state and federal agencies and the private sector. Partners share the work and the benefits of a successful plan.

Evaluation and outcomes measurement: Identification of one or two meaningful objectives or performance measures helps gauge progress towards goals and the overall community vision. Evaluation is a mechanism for measuring progress and tracking outcomes for specific projects, development strategies, and short- and long-term action plans that helps keep the community's plan on track, recognizes areas for change or improvement, and promotes communications.



For More Information

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The Wheel of Economic Development – key organizations, partners, stakeholders and beneficiaries –

Source: CTED Education and Training Program